## ASSEMBLY, No. 1929

# STATE OF NEW JERSEY

### 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by: Assemblywoman SERENA DIMASO District 13 (Monmouth)

#### **SYNOPSIS**

Revises 20% affordable housing set-aside requirement for newly-constructed housing developments within regional planning entities.

#### **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**AN ACT** concerning affordable housing requirements for regional planning entities and amending P.L.2008, c.46.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

- 1. Section 18 of P.L.2008, c.46 (C.52:27D-329.9) is amended to read as follows:
- 18. a. Notwithstanding any rules of the council to the contrary, for developments consisting of newly-constructed residential units located, or to be located, within the jurisdiction of any regional planning entity required to adopt a master plan or comprehensive management plan pursuant to statutory law, including the New Jersey Meadowlands Commission pursuant to subsection (i) of section 6 of P.L.1968, c.404 (C.13:17-6), the Pinelands Commission pursuant to section 7 of the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-8), the Fort Monmouth Economic Revitalization Planning Authority pursuant to section 5 of P.L.2006, c.16 (C.52:27I-5), or its successor, and the Highlands Water Protection and Planning Council pursuant to section 11 of P.L.2004, c.120 (C.13:20-11), [but excluding joint planning boards formed pursuant to section 64 of P.L.1975, c.291 (C.40:55D-77), there shall be required to be reserved for occupancy by low or moderate income households at least 20 percent of the residential units constructed, to the extent this is economically feasible <u>lauch developments shall be</u> considered as part of the municipality wherein situated and available as an area subject to that municipality's fair share affordable housing obligation.
  - b. Subject to the provisions of subsection d. of this section, a developer of a project consisting of newly-constructed residential units being financed in whole or in part with State funds, including, but not limited to, transit villages designated by the Department of Transportation and units constructed on State-owned property, shall be required to reserve at least 20 percent of the residential units constructed for occupancy by low or moderate income households, as those terms are defined in section 4 of P.L.1985, c.222 (C.52:27D-304), with affordability controls as required under the rules of the council, unless the municipality in which the property is located has received substantive certification from the council and such a reservation is not required under the approved affordable housing plan, or the municipality has been given a judgment of repose or a judgment of compliance by the court, and such a reservation is not required under the approved affordable housing plan.
  - c. (1) The Legislature recognizes that regional planning entities are appropriately positioned to take a broader role in the planning and provision of affordable housing based on regional planning

 $\begin{tabular}{ll} EXPLANATION-Matter enclosed in bold-faced brackets \begin{tabular}{ll} In the above bill is not enacted and is intended to be omitted in the law. \end{tabular}$ 

considerations. In recognition of the value of sound regional planning, including the desire to foster economic growth, create a variety and choice of housing near public transportation, protect critical environmental resources, including farmland and open space preservation, and maximize the use of existing infrastructure, there is created a new program to foster regional planning entities.

- (2) The regional planning entities identified in subsection a. of this section shall identify and coordinate regional affordable housing opportunities in cooperation with municipalities in areas with convenient access to infrastructure, employment opportunities, and public transportation. Coordination of affordable housing opportunities may include methods to regionally provide housing in line with regional concerns, such as transit needs or opportunities, environmental concerns, or such other factors as the council may permit; provided, however, that such provision by such a regional entity may not result in more than a 50 percent change in the fair share obligation of any municipality; provided that this limitation shall not apply to affordable housing units directly attributable to development by the New Jersey Sports and Exposition Authority within the New Jersey Meadowlands District.
- (3) In addition to the entities identified in subsection a. of this section, the Casino Reinvestment Development Authority, in conjunction with the Atlantic County Planning Board, shall identify and coordinate regional affordable housing opportunities directly attributable to Atlantic City casino development, which may be provided anywhere within Atlantic County, subject to the restrictions of paragraph (4) of this subsection.
- (4) The coordination of affordable housing opportunities by regional entities as identified in this section shall not include activities which would provide housing units to be located in those municipalities that are eligible to receive aid under the "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.), or are coextensive with a school district which qualified for designation as a "special needs district" pursuant to the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), or at any time in the last 10 years have been qualified to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.) and that fall within the jurisdiction of any of the regional entities specified in subsection a. of this section.
- d. Notwithstanding the provisions of subsection b. of this section, or any other law or regulation to the contrary, for purposes of mixed use projects or qualified residential projects in which a business receives a tax credit pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) or a tax credit pursuant to section 35 of P.L.2009, c.90 (C.34:1B-209.3), or both, an "eligible municipality," as defined in section 2 of P.L.2007, c.346 (C.34:1B-208), shall have the option of deciding the percentage of newly-constructed residential units within the project, up to 20 percent of the total, required to be

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reserved for occupancy by low or moderate income households. 1 2 For a mixed use project or a qualified residential project that has 3 received preliminary or final site plan approval prior to the effective 4 date of P.L.2011, c.89, the percentage shall be deemed to be the 5 percentage, if any, of units required to be reserved for low or moderate income households in accordance with the terms and 6 7 conditions of such approval. 8 (cf: P.L.2011, c.89, s.5) 9 2. This act shall take effect immediately. 10 11 12 13 **STATEMENT** 14 15 This bill would revise the current 20% affordable housing set-16 aside requirement in the case of a newly constructed housing 17

development situate within a regional planning entity.

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P.L.2008, c.46 required that within a newly constructed housing development located within the jurisdiction of any regional planning entity required by law to adopt a master plan or comprehensive management plan, including the New Jersey Meadowlands Commission, the Pinelands Commission, the Fort Monmouth Economic Revitalization Planning Authority or its successor, and the Highlands Water Protection and Planning Council, at least 20% of the residential units constructed must be reserved for occupancy by low or moderate income households, to the extent that this set-aside is economically feasible.

This bill would remove that 20% low or moderate income set aside and require that those newly constructed housing developments be considered within the fair share obligation of the municipality wherein they are located and subject to that municipality's affordable housing requirements.